FINANCIAL COORDINATION OF REHABILITATION MEASURES: SWEDEN

1. Organisations involved
   - Social Insurance Agency
   - Public Employment Service
   - Municipalities and county councils

2. Description of the case

2.1. Introduction
About 5% of the Swedish working-age population (about 280,000 people) require rehabilitation support from different authorities for rehabilitation to be successful (Sveriges Riksdag, 2003, p. 49). A 2000 government inquiry showed that about half of those with long-term illnesses needed rehabilitation other than just medical rehabilitation in order to return to work (Sveriges Riksdag, 2003, p. 49). Since the early 1990s, the Swedish government has investigated coordination among different authorities in the field of vocational rehabilitation. One consistent block to effective coordination is different agencies holding separate budgets.

Many individuals require coordinated rehabilitation efforts to enable them to engage in gainful employment, or improve their capacity to do so. Coordinated efforts would also help to target those individuals who fall between the responsibilities of different authorities where the systems collide.

This project sought to coordinate financial resources across a number of different agencies to better support rehabilitation and return to work.

2.2. Aims
Financial coordination of rehabilitation measures aims to achieve an efficient use of resources across different authorities.

There are three different forms of coordination: (i) coordination between the Social Insurance Agency and the Public Employment Service; (ii) coordination under the Act on Financial Coordination of Rehabilitation Measures (FINSAM); and (iii) coordination between the Social Insurance Agency and the health and medical services provided by the county councils (also called ‘two-part FINSAM’). The present case study focuses on the second form of coordination, under FINSAM.

2.3. What was done, and how?

2.3.1. Introduction
In 1993, the Swedish government adopted a temporary act on financial coordination between the Social Insurance Agency, counties (which have the overall responsibility for health and medical services in Sweden) and municipalities (Sveriges Riksdag, 1994). This allowed a series of experiments on the collaboration between these institutions in the field of vocational rehabilitation, with the aim of reducing the cost of sickness benefits. The experiment was conducted in eight municipalities. The positive outcomes of the collaboration...
between the different actors resulted in new legislation, the Act on Financial Coordination of Rehabilitation Measures (Sveriges Riksdag, 2005). This legislation allows voluntary coordination on vocational rehabilitation between the Social Insurance Agency, the Public Employment Service, municipalities and the counties.

The coordination work is done through a coordination association (samordningsförbund). This is an independent body, on which all collaborating parties (the Social Insurance Agency, the Public Employment Service, municipalities and the county councils) are represented, and which administers the budget for the coordination. All of the collaborating partners contribute to the budget. The Social Insurance Agency is required by law to contribute 50 % of the financing (but not more than 5 % of its budgeted costs for sickness benefits). The participating county councils contribute 25 % of the budget, as do the municipalities (Sveriges Riksdag, 2005, Section 5). The coordination association’s responsibilities include deciding on objectives and guidelines of the financial coordination, supporting coordination between the collaborating partners, financing operations within the financial coordination, allocating funds, monitoring and evaluating the rehabilitation efforts, and drawing up a budget and annual accounts of the financial coordination (Sveriges Riksdag, 2005, Section 7).

2.3.2. Current level of participation

The financial coordination of rehabilitation measures is voluntary and is currently ongoing in 225 out of 290 municipalities, under 83 coordination associations. In addition, in 2013, the Social Insurance Agency dedicated SEK 280,000,000 (EUR 32,000,000) for coordination within the framework of coordination associations. Of this total, 66 % was allocated to rehabilitation of individuals, with the remainder used to enhance the coordination between the different participating authorities. In 2013, approximately 36,900 participants took part in 600 interventions, some targeted at groups, and others at individuals. Since 2005, the main target group of the interventions has been people under 30 years old, with nearly 31 % of the individual interventions falling within this group. The two other main target groups are individuals with complex problems who have been excluded from the job market for a longer time, and individuals with mental illnesses.

2.3.3. Interventions

The main goal of the interventions targeting individuals is to improve the capacity of the participants to engage in gainful employment. The interventions financed by the coordination association are:

- vocational;
- motivational, for example coaching to strengthen the participant’s empowerment and to set up realistic goals, because many of the participants have been out of the workforce for a long time and have lost their drive and motivation;
- treatment interventions and preventative interventions.

In 2013, 53 % of the interventions across all groups were intended for return to work or educational rehabilitation, helping participants to gain new skills, for instance computer training or language courses. A further 25 % included preparatory measures to prepare the individual for the ‘next steps’ before returning to work, which differ depending on the needs of the participant (for example physical or psychological rehabilitation). Another, 11 % involved identifying individuals’ needs for continued support, 7% involved other measures (such as coordinated planning of rehabilitation measures or special hosts.

The Public Employment Service is a national government agency providing job placement services. The agency’s assignment includes rehabilitation, as it contributes to the return to work of persons with reduced working capacity. It cooperates with the Swedish Social Insurance Agency and together they offer individually adapted activities for persons who have not been able to work because of sickness.

Sweden is divided into 290 municipalities and 20 county councils. The counties and municipalities are responsible for different activities through their own self-governing local authorities. The county councils are responsible for all publicly financed health care. The local authorities have tax-raising powers and are responsible for supplying welfare services to their citizens.
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at civic offices, which are special offices that offer information and services within all the areas of municipal responsibility) and a final 5% involved preventative measures aimed at ensuring that the individual does not end up in unemployment or ill-health.

The Social Insurance Agency also dedicated SEK 30,000,000 (EUR 3,400,000) to coordination between the Social Insurance Agency and the health and medical services (two-part FINSAM). The specific focus in 2013 was to improve the quality of medical certificates (Social Insurance Agency, 2014).

2.3.4. Rehabilitation Chain

The Rehabilitation Chain was introduced at the Social Insurance Agency in 2008. It implemented eligibility checks at fixed points in time during the sickness absence, to create incentives for early intervention in the rehabilitation process. After the first 90 days of sick leave, the employee’s working capacity is evaluated against his/her former position and the necessary adaptations are identified. Between the 91st and 180th days, the worker can take 6 months’ leave to try out a new job with another employer. If there is a risk that the worker cannot go back to his/her previous job, he/she can ask the Social Insurance Agency to set up a meeting with the Public Employment Service, which can assist with finding new employment. From the 181st day, the worker’s working capacity, and thus sickness benefit, is evaluated not only against his/her previous job but against all potential jobs on the labour market.

2.4. What was achieved?

The different interventions covered by the financial coordination of rehabilitation measures are evaluated both by external consultants (larger interventions) and internally (smaller interventions). The evaluations show that, for each person who returns to work after the project, society earns back the funds invested in that person through the project (interview with Marika Söderberg).

The results of all forms of coordination under this scheme are registered in a sector-wide monitoring system for collaboration and financial coordination in the rehabilitation sector (SUS). This system facilitates local, regional and national monitoring of the coordination between the different authorities. The Social Insurance Agency is the system owner for SUS, but it is a joint system for all of the collaborating authorities. This means that each authority is responsible for ensuring that all the relevant information is recorded in the system. SUS is responsible for the provision of the statistics from the cooperation interventions (SUSAM website, 2015).

The statistics show that financial coordination in rehabilitation measures yields results. Out of the 8,600 participants who concluded their intervention in 2013, 31% had a job or returned to education directly after the conclusion of the intervention. This compared to only 11% before an intervention. The results differ between the different age groups, with a higher portion of the under-29s going back to work or school (38%) compared with 21% of the over-30s (SUSAM website, 2015).

Another positive result of the coordination of rehabilitation measures is that fewer participants are in need of public benefits (e.g. sickness benefits, unemployment benefits, etc.). In 2013, the share of the participants who concluded an intervention and did not need additional support went up from 9% to 21% (SUSAM website, 2015). However, a recent survey by the Swedish Social Insurance Authority (McDaid, 2013) shows that, while the share of health-related benefits (for example disability benefits or early retirement benefits) granted for people affected by musculoskeletal disorders decreased between 2003 and 2012, this went hand in hand with an increase in the share of health-related benefits granted for mental-related health problems, suggesting that rehabilitation interventions may not be as effective for mental health issues.

2.5. Success factors

The following success factors have been identified:

- More efficient coordination of actors: When the programme started, there was growing demand from different authorities to coordinate their efforts in the area of vocational rehabilitation. This
was previously legally not possible because of their respective mandates. The Act on Financial Coordination of Rehabilitation Measures made it possible for the different authorities to coordinate their work.

- **Integrated approach:** The method allows the involvement of relevant authorities from different policy areas, in particular public health, employment and social security.

- **Expert approach:** The approach promoted by the coordination of rehabilitation measures focuses on vocational rehabilitation and provides specialist knowledge from different fields in order to achieve the greatest results.

2.6. **Transferability**

The system of financial coordination of rehabilitation measures was based on a similar previous system whereby the Social Insurance Agency and the health and medical services coordinated their measures. The transfer of this approach to other countries would depend significantly on the systems in place in each country, as well as the respective responsibilities of different authorities. However, a coordinated model should be possible, given adjustments to the context of each particular country.

2.7. **Further information**

There is no single point of contact but the contact details of all the coordination associations can be found on the NNS (national network of coordination associations) website: [http://www.nnsfinsam.se/samordningsfoerbunden.aspx](http://www.nnsfinsam.se/samordningsfoerbunden.aspx)

3. **References and resources**

- Social Insurance Agency website: [www.forsakringskassan.se](http://www.forsakringskassan.se)
- SUSAM website: [www.susam.se](http://www.susam.se) SUSAM website (2015), webpage on SUS: [http://www.susam.se/finsam](http://www.susam.se/finsam)
- Interview with Marika Söderberg of the Social Insurance Agency